

A - PROGRAM GUIDANCE AND CONTROL

This checklist is intended for use in evaluating the effectiveness of sales accountability operations. Use of this document will help identify potential problems in the management of retail sales activities to ensure that cash or merchandise losses are not occurring. This checklist is not all-inclusive. This checklist should be used to obtain yes or no answers. When a question is answered no, a sales accountability problem may exist. When several questions are answered no, the potential for a serious problem increases significantly. Additional analysis may be needed to identify the cause of any problems found and plan for corrective actions. Plans should be aimed at short and long-range actions.

NO

- 1 Has the installation provided current copies of pertinent regulatory guidance (i.e., AR 215-1 and DOD 7000.14-R, Vol. 13) to its nonappropriated fund (NAF) managers? ✓
- 2 Does installation guidance for performing and monitoring sales accountability tests clearly identify and establish:
 - Responsibilities for ensuring the tests are performed? ✓
 - Specific activities that need periodic tests? ✓
 - Frequency of performing tests at each activity?
 - Procedures for investigating and documenting discrepancies between actual and expected sales? ✓
 - Storing and retrieving of test computations, results, and analyses records? ✓
 - Managers responsibilities for monitoring and analyzing the performance and results of tests?
- 3 Has the installation implemented a program for performing sales accountability tests?
 - Are the tests being performed as required?
 - Are sales accountability tests documented and kept on file? ✓
- 4 Has the installation developed local guidance for performing and monitoring inventories?
 - Are these procedures published and distributed to the responsible fund managers? ✓

- | | YES | NO |
|---|----------|----|
| Are the procedures accurate/applicable to all types of inventories? | <u>✓</u> | |
| Are inventories conducted in accordance with these procedures? | <u>✓</u> | |
| 5. Were reviews performed by program and division managers to ensure that inventories were properly performed, cash controls were adequately examined, test results were analyzed, and appropriate actions were taken, if required, to investigate and resolve discrepancies? | <u>✓</u> | |
| 6. Do managers' job performance standards contain specific requirements relating to internal control responsibilities as related to sales accountability? | <u>✓</u> | |
| 7. Do performance standards include internal control responsibilities as a critical rating element? | <u>✓</u> | |
| 8. Were managers' performances of internal control responsibilities adequately assessed and documented in periodic performance ratings? | | |
| 9. Did the installation fund manager annually certify that sufficient internal controls were implemented and maintained over merchandise inventories and cash receipts? | <u>✓</u> | |

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